

DATE 2/4/13

HB

Daumiller, Marilyn

From: Graham, Shawn
Sent: Wednesday, October 17, 2012 10:01 AM
To: Anfinson, Adam
Cc: Sullivan, Pat; Evans, Ryan; Daumiller, Marilyn; Sassano, Amy; Purdy, Taryn
Subject: RE: MBARS - Restore Child Care General Fund

Adam,

In accordance with 17-7-102 (4)(a), MCA; \$1,164,364 of "off base expenditures" in account 67103 and \$1,164,364 of "off-base" funding from fund 03096 associated with subclass 855GC TANF TO REDUCE GF (OTO) (from org 02CCDISC and project/grants CCDFDISSRVF11 and CCDFISSRVF12) have been removed from the "off base" column for FY 2012 in RL 6902-02-04-05 in the W-01, B-01, A-02, and D-01 versions of MBARS.

In addition, \$1,164,364 of expenditures in account 67103 and \$1,164,364 of general fund funding has been added to the FY 2012 base, FY 2014 adjusted base, and the FY 2015 adjusted base in RL 6902-02-04-03 in the W-01, B-01, A-02, and D-01 versions of MBARS.

I copied Marilyn Daumiller and Taryn Purdy from the LFD on this e-mail in order to provide them with notification of this revision to the base and adjusted base budget for 6902.

Let me know if you have any follow up questions or concerns.

Shawn Graham
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From: Anfinson, Adam
Sent: Tuesday, October 16, 2012 4:05 PM
To: Graham, Shawn
Cc: Sullivan, Pat; Evans, Ryan
Subject: MBARS - Restore Child Care General Fund

Shawn-

In accordance with HB 613 from the 2011 session, Dan has decided to restore the \$1,164,364 in FY 2012 OTO child care expenditures (subclass 855GC TANF TO CC REDUCE GF (OTO)) in the adjusted base for FY 2014 and FY 2015. The restoration is with general fund, and the language from the bill is shown below. Can you please make the restoration to the adjusted base in RL 6902-02-04-03, in account 67103?

(4) (a) "Base budget" means the resources for the operation of state government that are of an ongoing and nonextraordinary nature in the current biennium. The base budget for the state general fund and state special revenue funds may not exceed that level of funding authorized by the previous legislature. For the biennium beginning July 1, 2013, the base budget for the human and community services division in the department of public health and human services may also include the state general fund equivalent to expenditures in fiscal year 2012 of one-time-only TANF federal special revenue funding appropriated during the 2013 biennium to the division for the purpose of child care.

Thanks,

-Adam

Adam Anfinson
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The legislative budget of about \$728.0 million total funds for the biennium includes:

- o About \$621.0 million total funds for benefits support in public assistance programs
- o About \$45.0 million in grant funding for programs that support community heating assistance and weatherization, food programs, child care, nutrition and development, and assistance toward employment.
- o Over \$46.7 million to support personal services for 472.32 FTE and nearly \$15.0 million in operations to carry out the programs

TANF Block Grant

The legislature approved TANF funding increases over the biennium of:

- o Nearly \$11.0 million for an estimated 1% increase per year in the TANF benefit caseload
- o About \$90,000 to continue the second chance homes program started in the 2009 Session
- o About \$2.0 million for TANF employment programs

The legislature approved indirect costs at \$5.9 million for FY 2012 and \$6.1 million for FY 2013, which is a reduction of about \$120,000 in FY 2012 and \$125,000 in FY 2013.

TANF Transfers

The legislature appropriated federal TANF funding to the Early Childhood Services Bureau to free up general fund in a three-step appropriation. First, the legislature appropriated one-time-only federal TANF authority of \$1.2 million in FY 2012 and \$1.4 million in FY 2013 to replace general fund of an equal amount that was to be used for child care services in the 2013 biennium.

The legislature then appropriated the available general fund amount of \$1.2 million in FY 2012 and \$1.4 million in FY 2013 to the Disability Services Division.

Lastly, because the general fund base budget in child care services was reduced by the transfer of general fund to the Disability Services Division, the legislature approved statutory changes in HB 613 that allow the division to include any funds expended in FY 2012 from the one-time-only appropriation of federal TANF funds for Child Care in development of the division's present law base budget and fund the amount with general fund for the 2015 biennium.

The legislature also provided a restricted, biennial, one-time-only appropriation to the Child and Family Services Division (CFS) of \$355,875 each year of the biennium for total appropriation authority of \$711,750 in federal TANF block grant funds. The federal TANF funding will transfer to CFS to support a stipend for regular foster care families and regular kinship care families of an estimated \$0.75 per day in addition to the daily foster care maintenance payment. The division may adjust the stipend amount to reflect the appropriation with the actual number of children placed in regular family foster care and regular kinship foster care. There is additional discussion in the Child and Family Services Division write-up.

TANF General Fund

The legislature also approved an adjustment in the general fund budget for the federally required TANF maintenance of effort (MOE). The action increased funding for the TANF WoRC Contractors by \$170,000 each year of the biennium and reduced funding in TANF general fund benefits by an equal amount. WoRC stands for the work readiness component of TANF requirements. The contractors work with TANF participants to gain employment skills. There is no change in the base amount of TANF general fund. TANF benefits could be paid with federal TANF funds.

LIEAP Funding Adjustment

The legislature approved an adjustment in the LIEAP grant to move \$156,463 from advertising costs to other LIEAP operating uses for each year of the biennium. The adjustment does not reduce the LIEAP appropriation.